



PERS Plan 1 Rules for Local Officials

Washington State Department of Retirement Systems

The following rules apply to local elected officials who choose to be covered by PERS Plan 1 while in office. Additional rules governing all PERS Plan 1 members are summarized in the PERS Plan 1 Member Handbook.

You are eligible to participate in PERS Plan 1 while in office if:

- You were elected or appointed to a local government or political subdivision position such as county commissioner, city mayor, or city council member, and you are either
- A PERS 1 member when elected to office, or
- A former PERS Plan 1 member (even if you withdrew funds from your retirement account).

If you would like to be a member while in office, you must apply to the Department of Retirement Systems, however, you are not required to be a retirement system member.

When can I apply for membership?

During your initial term: You may apply for membership at any time during your initial term of office. If you enter membership after your initial term of office has begun, you must retroactively pay employee contributions plus interest dating back to the first day of your initial term. Your employer must pay employer contributions.

During a following term: If you do not apply for membership during your first term in office, you may apply for membership during a following term. Membership will be granted retroactively to the first day of the term in which you apply for membership. You must retroactively pay employee contributions plus interest dating back to the first day of the term in which you apply for membership and your employer must pay employer contributions plus interest for the same period.

When you have established membership for your current term, you may have the option of purchasing credit for any previous term or terms of office during which you did not choose to apply for membership. See "Can I Receive Credit for Past Elected service?"

Your membership decision is final: Once you have established retirement system membership, you must remain a member until you separate from all eligible public employment.

If you serve an additional term of office with the same employer without a break in service, you will remain a retirement system member.

You may retire and retain your elected position if:

- In that position, you earn less than \$15,000 adjusted annually for inflation, and
- You abandon claims for credit for future periods of elected service.

PERS Plan 1 Rules for Local Officials (continued)

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How Much Service Credit Will I Earn?

The amount of your retirement benefit is determined in part by the amount of service credit you accumulate. As a local elected official, you:

- Earn one month of service credit for each month during which you earn compensation pursuant to your elected position.
- Can earn no more than one service credit month in any calendar month even if you are employed with another PERS-covered employer.

Can I receive credit for past elected service?

After you have established membership for your current term of elected office, you are entitled to purchase service credit for any previous elected term or terms of office during which you did not choose to apply for membership.

To receive service credit you must pay the required employee and employer contributions for the previous term or terms of elected service with interest, as determined by DRS. If you purchase credit for service with an employer, you must purchase all consecutive service with that employer. If you held multiple terms of office with different employers, you may purchase credit for service with each employer independently.

Your employer may elect to pay the required employer contributions for you.

If you do not choose to become a member while holding elected office, and later become an active PERS member in a non-elected position, you may then purchase credit for your elected service.

What will my retirement benefit be?

The amount you will receive for a service retirement benefit is based on the following formula:

$$2 \text{ percent} \times \text{service credit years} \times \text{Average Final Compensation} = \text{Monthly benefit}$$

Average Final Compensation is the monthly average of your 24 consecutive highest-paid service credit months.

How much will I contribute to my retirement plan?

You will contribute 6 percent of your salary to your retirement plan each pay period.

What if I am a retired PERS 1 member when elected?

If you are a retired PERS Plan 1 member when elected to office, you can choose to either remain retired and continue receiving your retirement allowance without interruption while serving in office, or return to active member status while serving in office.

If you return to active member status, you will stop receiving a monthly retirement benefit, and you will resume making contributions to your retirement system and accumulating service credit. Any retirement benefit you receive during your current term must be repaid.

PERS Plan 1 Rules for Local Officials (continued)

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How do I enroll?

To continue or reestablish PERS 1 membership, contact DRS and provide the following information:

- Name
- Social Security Number
- Address and phone number
- Position title and employer
- Beginning and ending dates of all elected official service

DRS will verify your service and previous elected official terms of office, and send you an enrollment letter and application. You may request an estimate of the cost of purchasing credit for previous service or the cost of becoming a PERS 1 member midterm.

You can write DRS at:

- Department of Retirement Systems
- PERS
- PO Box 48380
- Olympia, WA 98504-8380

DRS' **central telephone number** is toll free 1-800-547-6657 or locally (360) 664-7000.

Office hours are 8 a.m. to 5 p.m., Monday through Friday, except legal holidays.

Questions?

To discuss the application of these rules to your specific case, call DRS's Central Reception Desk, identify yourself as an elected official, and ask to speak to the retirement services analyst who specializes in elected official issues. Be prepared to provide the dates for all of your elected service.

THIS PUBLICATION IS A SUMMARY

This brochure does not contain a complete description of the law. If there are conflicts between the information contained in this brochure and retirement law, the applicable law will govern.

This publication is available in alternate formats. For information contact DRS Member Publications at (360) 664-7278.